

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Implementation of Section 17 of the)
Cable Television Consumer Protection)
and Competition Act of 1992)
)
Compatibility Between Cable Systems)
and Consumer Electronics Equipment)

ET Docket No. 93-7

COMMENTS OF THE AMERITECH OPERATING COMPANIES

The Ameritech Operating Companies¹ hereby submit these comments in the above-captioned docket. On January 29, 1993, the Commission released a Notice of Inquiry ("NOI") seeking information on how to best implement Section 17 of the Cable Television Consumer Protection and Competition Act of 1992.² Section 17 of the Cable Act requires that the Commission issue a report to Congress specifying the means by which it intends to ensure compatibility of consumer electronics equipment with cable systems, and to thereafter promulgate the appropriate rules.³

The NOI raises several compatibility issues, including inter alia, what should be the criteria for defining "cable ready" equipment, what problems exist with today's technology that limit the operation of advanced features on consumer electronics equipment, what restrictions should be placed on the methods used by cable companies to encrypt or scramble their signals, and what

¹ The Ameritech Operating Companies are: Illinois Bell Telephone Company, Indiana Bell Telephone, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc., collectively referred to herein as the "Companies."

² Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-358 ("1992 Cable Act").

³ NOI at ¶ 3.

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measures should the Commission take to assure the compatibility of commercial remote control units with TV-top converters. As a literal reading of the 1992 Cable Act might suggest, the Commission appropriately framed the issues in the NOI to primarily focus on balancing the consumer interests in advanced electronics equipment functionality with the security interest of the cable operators. However, with the emergence of video dialtone on the horizon, the Commission should also consider what impact their rules might have on this embryonic service.

Ensuring that any proposed rules do not hamper the development of video dialtone -- either by limiting possible video dialtone technologies or by making video dialtone prohibitively expensive -- should be an overriding objective of the Commission in this proceeding. A major goal of Congress in passing the 1992 Cable Act was to facilitate the development of competition in the cable industry.⁴ Video dialtone has the potential to be an important competitive alternative to traditional cable service, but its potential will not be realized if rules are adopted that mandate a particular technology or that

ment of those most familiar with the technical issues. Government, the Acad-

attempting to break into the video-delivery market the cost of deploying a specific security technology, such as interdiction,⁷ could be prohibitive. The Commission should adopt reasonable rules that do not hamper the “new entrants” in the video market.

In conclusion, the Companies urge the Commission to be cognizant of the impact of this proceeding on the development of video dialtone as a viable